

know, it's not a partisan issue, it's not Democrat, Republican issue. It's an issue of how we coordinate the services.

But there's one missing ingredient, Wolf, is the funding ingredient, and that's the \$3.8 billion that was promised to the cities over two years ago. I understand Senator Clinton is going to file the bill to give us direct block grants to cities for homeland security, but that's the missing part. They went home, they didn't even deal with the issue of finances for cities.

Cities have spent about \$2.6 billion since last September, and we're asked to be on the front lines every day, but nobody's willing to help us meet those costs.

BLITZER: What about that, Mayor Hood? You feel safer in Orlando as a result of what's going on in Washington?

MAYOR GLENDA HOOD, ORLANDO, FLORIDA: Well, I'm glad that they have passed the bill to put the department in place because now there will be clear lines of authority, that intelligence information will be able to get down to our local law enforcement professionals in a much quicker way and a much more efficient way, and that's what's important. Because we've all been on a heightened state of alert in our cities, and we know that it's important to provide that safe environment for those people who live here and who visit our communities.

BLITZER: But are you getting...

(CROSSTALK)

BLITZER: Mayor Hood...

HOOD: Yes?

BLITZER: ... picking up on what Mayor Menino said, are you getting the funding from the federal government that you need?

HOOD: No, we're not. And we've been able to advance funding, mid-budget year here in Orlando and then in our regular budget, but we can't sustain that over a period of time. So we need to see that funding, and we need to see it soon.

BLITZER: Mayor Williams, I want to read to you from the latest FBI bulletin warning of new terror threats against the United States. Among other things, it says this. It says, "In selecting its next targets, sources suggest al Qaeda may favor spectacular attacks that meet several criteria: high symbolic value, mass casualties, severe damage to the U.S. economy and maximum psychological trauma."

God knows your city, Washington, D.C., fits that description, especially the notion of high symbolic value. Are they giving you the help you need to deal with that?

MAYOR ANTHONY WILLIAMS, WASHINGTON, D.C.: Well, Washington, D.C., itself has been given help in terms of its emergency preparedness and bioterrorism response.

But I think the mayors are right in that Congress has the duty to see that local government, your first line of response, has the resources to help the federal government execute a homeland security strategy. You can't do that with nothing.

BLITZER: Mayor Menino, they tell you to be on the alert. They tell you of possible spectacular attacks. Boston's got a lot of high visibility, potential targets as well. But what do they do after they tell you that?

MENINO: They do nothing. They just tell us to be on alert. That means we have to alert our police and intelligence units and make sure that these spectacular sites they say -- you have to put additional police. You know, the one thing they're not addressing at all in this homeland security is communications between police departments. That was a major issue in Washington and New York, but nobody's even addressing that issue when we talk about homeland security. How do different police departments and fire departments speak to each other, that's one issue that has to be addressed as we move forward and try and make sure our country is safe.

BLITZER: Do they tell you anything, Mayor Hood, after they tell you that, be on the lookout, be alert, get ready, spectacular threats that are out there? What do they tell you after they say that?

HOOD: Well, I have to tell you, it's gotten a lot better since September 11th of 2001. All our law enforcement folks say that. But we've really almost had to take things into our own hands.

And we have an organization at the state level here, thanks to our governor, Jeb Bush. We have seven regions, we have coordination among all those different regions with the state, with the feds.

But we still need to make sure that through this new Department of Homeland Security that, again, that information is getting down where it needs to get in an efficient, fast way.

BLITZER: Do you believe, Mayor Hood, that they're giving you the specific information, your law enforcement department in Orlando? You've got Disney World down there. That's certainly a potential target that everyone is very familiar with.

Are they sharing the kind of intelligence, the specific information that your law enforcement authorities need?

HOOD: All of our folks tell me that they are getting much better information now than they did previously. Do we still have work to do? Absolutely. And I believe that the new Department of Homeland Defense will help us go a long ways toward getting it right.

BLITZER: Mayor Williams, there are these color codes, these alert status levels that the federal government has put out. As you well know, right now the country is at an elevated or yellow level. They were for a brief period of time at a higher level, the orange level.

Do these codes actually have any practical impact on your day-to-day efforts to keep the citizens of Washington, D.C., safe?

WILLIAMS: Wolf, I'd agree with Mayor Hood. We're not where we want to be or where we should be, but we're a lot better off than where we were on September 11th. We're coordinating much better with the federal government in responding to events, coordinating much better with them in sharing specific information as to a specific potential event.

Where I think we have a lot more work to do is sharing intelligence between state and local

government and the federal government, between the federal government and the private sector, in terms of potential threats, where you work with a network, work with local government in actually obtaining that information.

We saw with the sniper, for example, where the sniper got through a number of different exchanges with law enforcement without being stopped. To me, that's a failure of sharing intelligence and information.

BLITZER: Well, Mayor Menino, on that issue, and I'm going to take a quick break after you give me your answer, but on that specific issue of sharing intelligence, as everyone knows, the CIA's reluctant to share information with the FBI, and the FBI historically has been reluctant to share some information with the CIA.

Both of these agencies presumably are very reluctant to share information with a local police department, let's say in Boston.

MENINO: Well, let me just say, Wolf, that the task force we have between state, federal and Boston police works. The sharing of information is there, that they continually exchange intelligence information that they have, working together also with the Port Authority.

I think the issue of sharing is better than it was in the past. But the issue you also mentioned is the color scheme. You know, if you're ever on an orange alert, and the federal government is, but what's the alert in Massachusetts? They haven't coordinated those alerts yet either on the federal and state side. There are some failures in the system.

But one thing I have to say is that Tom Ridge has been very responsive to Boston in particular, as we have different emergencies arise. His department has been very responsive to us.

BLITZER: All right. Logan Airport, is that safe right now, Mayor?

MENINO: Oh, I believe it is. It's much safer today than it was last year and the year before. I think they've done a great job at Logan Airport.

BLITZER: All right, Mayors, stand by. We have a lot more to talk about.

We're going to continue our conversation and also take your phone calls on homeland security. These mayors are on the front lines right now in protecting three major U.S. cities.

LATE EDITION will continue right after this.

(COMMERCIAL BREAK)

BLITZER: Welcome back to LATE EDITION. We're discussing homeland security with Boston Mayor Thomas Menino, Orlando Mayor Glenda Hood, and Washington, D.C. Mayor Anthony Williams.

We have a caller from California. Go ahead with your question, please.

CALLER: Wolf Blitzer, it's a pleasure. I'd like to ask your panel of mayors, are they surprised they haven't been attacked in the same fashion as the BM (ph) meters on the Don & Mike Show?

BLITZER: Oh, unfortunately, that was a hoax call.

But, Mayor Williams, are you surprised, though, that there hasn't been since 9/11 another major, in the words of the FBI, "spectacular" attack that we've had before?

WILLIAMS: Well, I think we live in a new era of threats, with new challenges, and I think there's risk out there. But having said that, I think that people have gone to extraordinary lengths to protect their cities and their communities. And in that respect, I'm not surprised.

I think that's what Mayor Hood and Mayor Menino were saying, is that people are out there on the front line doing the job, and they need that support. And I believe that support will be forthcoming. That's my own view.

BLITZER: Mayor Hood, I want you to listen to what your senator, the Florida senator, Bob Graham, the chairman of the Senate Intelligence Committee, said earlier this week, as far as the transition as this new Department of Homeland Security gets off the ground. Listen to what Senator Graham said.

(BEGIN VIDEO CLIP)

SEN. BOB GRAHAM (D), FLORIDA: There will inevitably be a time of learning who your new partners are, what the new rules and expectations are. And during that transition time, we may actually see some degree of lessened domestic security.

(END VIDEO CLIP)

BLITZER: Do you accept what he says as a fact, that there could be a lessened degree of security in the coming weeks and months?

HOOD: Well, I think certainly, when you put a new department together at the grand scale that this Homeland Security Department will be, you might see some vulnerable areas.

And that's why it's important that we at the local level continue to take the lead, as we have. Mayor Menino has said that, Mayor Williams has said that. Every mayor across America will tell you that we have absolutely done everything we can to make sure that our communities are safe.

And we're engaging our citizens, giving them emergency- preparedness training, making sure they have all the information that they need, because we can't sit around and wait. We're the ones where things are going to happen, if there's going to be a terrorist threat or attack. And our first responders are the first ones there and the last ones to leave. And everybody else is in a supporting role.

So, I would agree that there will probably be some vulnerable areas. It's a difficult reorganization, the largest that we've seen, but I'm confident that we'll all be there, working together.

And I will say, like was said earlier, that Governor Ridge has been outstanding, as far as working with us at the local level.

BLITZER: Mayor Menino, Senator Jeffords, your neighbor from Vermont, also is concerned

about the short term. I want you to listen to what he said. Listen to this.

(BEGIN VIDEO CLIP)

SEN. JAMES JEFFORDS (I), VERMONT: It is irresponsible to divert precious, limited resources from our fight against terrorism to create a dysfunctional new bureaucracy that will only give the American people a false sense of security.

(END VIDEO CLIP)

BLITZER: Those are strong words, Mayor, a "false sense of security."

MENINO: Well, let me just say, Wolf, I don't want to, since the senator, you know, has more knowledge than I do, but I just know in Boston, we coordinate all our services. Yes, you have a few bumpy roads, but it works better. There's better communications between departments when you have an emergency in your city.

So I'm a firm believer in the coordination of all these services. You know, it's about time. We took too long to do it. And, you know, like I said earlier in the program, it's not a Democrat-Republican issue, it's how we get the job done. And I think, by this consolidation, we'll be able to get the job done.

You know, we're on a different track in America today. You know, the change in our lives forever. Mayors are in two tracks: one of making sure our cities are safe, and also the other track of making sure our cities work for the people who live there.

So it's a much different world. I think this consolidation will work. Will we have some bumpy roads? Yes, it will. But I think, by having one person in charge, we're much better for it.

BLITZER: Mayor Menino, thanks for joining us, Mayor Hood, Mayor Williams, always good to have all of you on this program.

(CROSSTALK)

WILLIAMS: It's a pleasure.

BLITZER: Thanks so much for joining us.

MENINO: Good to be with you.

HOOD: Thank you, Wolf.

BLITZER: Thank you very much.

It's time now to say goodbye to our international viewers. Thanks very much for watching.

Coming up for our North American audience, the next hour of LATE EDITION. What do new homeland security measures mean for your rights? We'll get two legal perspectives.

Then, LATE EDITION's "Final Round." There's no shortage of strong opinions from our panel. It's all coming up, when the next hour of LATE EDITION returns.

(COMMERCIAL BREAK)

BLITZER: Welcome back to LATE EDITION. I'm Wolf Blitzer in Los Angeles.

We'll explore the legal implications of new homeland security measures in just a moment. But first, here's CNN's Carol Lin with a CNN news alert.

(NEWSBREAK)

BLITZER: This week, a U.S. appeals court gave the government the approval to implement broad new wiretapping powers. In addition, a new database will be able to monitor the purchase and travel activity of virtually any person in the United States, a step the government says is necessary to fight the war on terror.

Joining us now to help through all the legal aspects of this war are two special guests: In Miami, the famed criminal defense attorney, Roy Black; and in Washington, D.C., the former U.S. attorney, Joseph DiGenova.

Gentlemen, always good to have both of you on the program.

Let's begin with you, Roy.

I don't know if you saw the story in today's "Washington Post," but an important story suggesting of those 44 people detained over these past several months since 9/11 as so-called material witnesses, only -- at least 44 of those people, only half of them, if that, have actually been called to testify before any grand jury. The rest are simply being held.

What does that say to you?

ROY BLACK, CRIMINAL DEFENSE ATTORNEY: Well, unfortunately, the Department of Justice is using a lot of these rules, rules that were created are being used in the name of national security, to keep people secretly detained.

And if anything, our system of justice has always been one leaning toward openness, to trials, having lawyers, not having secret detention. We've always been -- and our Founders of our Constitution were against these secret kind of proceedings, and that's why we have our Bill of Rights.

BLITZER: Are you concerned about that, Joe DiGenova?

JOSEPH DIGENOVA, FORMER U.S. ATTORNEY: No, Wolf, and I'll you why. A material witness statute was enacted in 1984 in a bipartisanship effort to codify common law in this area. And in order for a material witness to be held, it requires the government to go before a federal judge and have the federal judge rule that this person is a material witness. And not only that, they have be represented by counsel in those proceedings, and if they can't afford counsel, it's provided to them by the government.

So these proceedings, while they are secret from the public, they're not secret from the federal judiciary. And all of the usual procedures for the protection of people are attended.

We are at war. There are cells that exist in this country. You remember that the 19 hijackers who tried to destroy this country on September the 11th, 2001, were part of a cell that was functioning in this country. There are other cells in this country, according to published reports.

And the use of the material witness statute is a perfectly legitimate and constitutional means

of helping us protect the republic and American citizens from future attack.

BLITZER: Roy Black, you want to respond to that?

BLACK: Of course. I have to disagree with that, because a number of judges are now beginning to make objections because they've seen they've been misled in some of the information the government has told them about people that they're holding without bail in solitary confinement, in which there's no evidence they've committed any kind of crime.

And what we're using as a procedure now to hold people secretly in the special housing units and solitary confinement and horrible conditions. And, you know, this is just totally an antithesis of our system of justice.

DIGENOVA: Well, I think it's very important what Roy just said. If federal judges have problems with these material witness situations, they have every responsibility and right to call the government to account.

It will be interesting to see whether or not some of the things we've been hearing are in fact true, but that's why we have federal judges and that's why these material witnesses have been held on the orders of federal judges.

BLITZER: Well, Joe, let me interrupt for a second. If these are material witnesses, why aren't they being asked to testify before a grand jury?

DIGENOVA: Well, Wolf, the answer is very simple. Sometimes material witnesses don't go before a grand jury. They are interviewed, they give sworn statements, they give hair samples, they give fingerprints, they give information about people that the government is interested in.

Just because you're a material witness doesn't mean you have to go before a grand jury. There's nothing in the statute that requires that.

BLACK: And sometimes you're just a target of federal law enforcement or the United States government, and they want to hold you in isolation to see what they can do to you. And that's unconstitutional.

BLITZER: All right, let's move on. Obviously the two of you are not going to agree on this whole issue of material witnesses.

There's a story that also emerged over the past few days saying that the U.S. has dramatically expanded the number of countries on a list that would require residents living here in the United States from those countries to register with the federal government earlier this month, for example, we'll put up on the screen, residents from Iraq, Iran, Libya, Sudan, Syria. But on Saturday, they added all these other countries to that list.

Roy Black, is the federal government, as some now believe, out of control on this issue, asking people who live in the country who are originally from all of these other countries to have to formally register their whereabouts, their activities with the federal government?

BLACK: Well, Wolf, that doesn't bother me as much as their interference with American citizens. If there are people here from other countries who come into the country under the Immigration and Naturalization Service, the United States government has the ability to require

them to make reports and say where they are. I don't think that really interferes with people's civil liberties.

BLITZER: This is an issue involving, Joe DiGenova, as you well know, men 16 years of age and older. And if you take a look at that list, and let's put that list back up on the screen, you'll notice one thing on those lists. Almost all of them either Middle East, North African, African countries.

You don't see France, for example, on that list. Zacarias Moussauoi is a French citizen. He's accused of being the so-called 20th hijacker. If that regulation had been in existence when he came to the United States, it wouldn't have made any difference at all.

DIGENOVA: Yes, well, Wolf, what we're doing here is we are regularizing for the first time in our history the entrance to our borders. For too long, our borders have been like sieves, and we have not regulated the conduct of aliens coming into this country.

I agree with Roy, we should be doing this. Not only that, what's very, very ironic about this is that, you know, we've been subject to tremendous criticism from the Europeans for many of the things that we've been doing since 9/11.

The Europeans have the most incredibly hard-line, conservative, alien registration controls than any countries in the world. And they have -- and they're proud of the fact that when you go, even as an American, to a hotel in Paris or Rome, you have to give your passport, and they keep it. And they call the local police and let them know you're there. You get it back when you ask for it. But I'm not concerned about this.

And with regard to Mr. Moussauoi, in some of these countries that are not on the list, there are nonetheless, such as our allies in France, extra visa requirements that are imposed as a matter of reality even though they're not on the list.

BLITZER: All right, let's move to talk about this big win for the Justice Department, Roy Black, this past week, allowing law enforcement in effect to cooperate with the intelligence branches of the U.S. government to share information.

The attorney general spoke out after the appeals court came down on the side of the Justice Department. Not surprisingly, he was very happy. Listen to this.

(BEGIN VIDEO CLIP)

JOHN ASCHROFT, ATTORNEY GENERAL: This will greatly enhance our ability to put pieces together that different agencies have. I believe this is a giant step forward.

(END VIDEO CLIP)

BLITZER: What's wrong, Roy Black, if anything, with letting one arm of the U.S. government cooperate with another arm of the U.S. government and, namely, let law enforcement cooperate with intelligence and share information?

BLACK: Well, Wolf, the only problem is the Fourth Amendment of the United States Constitution, which gives American citizens certain rights of privacy and rights of illegal search and seizure.

What's happening now is there's a breakdown between intelligence and criminal law enforcement. What happened before under the foreign intelligence surveillance court wiretaps and what have you, if they're seeking wiretaps against intelligence agents from other countries, they can get it under a lesser standard than they could when they were doing it for a criminal investigation.

What happened is this review court, which has sat for the first time in history by three judges just appointed by Chief Justice Rehnquist, has taken down that wall and said that they can now say any kind of intelligence warrant they get, they can now use it for a regular criminal investigation. And that impinges upon our Fourth Amendment rights.

BLITZER: Joe DiGenova, when you were the United States attorney in the District of Columbia, you became intimately familiar with all of these restrictions that were imposed on you then. In effect, what's happening now is that some of the looser standards, as far as espionage are concerned, are being broadened to the whole criminal area as part of this war on terrorism. Are you comfort with that?

DIGENOVA: Well, first of all, Wolf, I disagree with your premise. Let me direct your attention to a wonderful article in the Wall Street Journal this week written by a tremendous lawyer named Victoria Toensing, who also happens to be my wife, which explains what the court did here.

And what she said in that article is this -- and I disagree with Roy on this, obviously respectfully because Roy's a great lawyer and one of America's great advocates.

They did not lower the standard in this case for either intelligence or criminal. What they said was is that the probable cause that is required is the same as it is in any case. The difference is, you have to prove that there's probable cause to believe, for a FISA, that someone is acting as the agent of a foreign power.

What they did that was truly important was they broke down the wall between law enforcement and intelligence so that people who were working on these cases could talk to one another. And indeed, what they said was, was that that was what Congress intended in 1978 when it enacted the statute and, obviously, what Congress did almost unanimously when it passed the Patriot Act last year.

BLITZER: FISA, Roy Black, just to our viewers who may not familiar with it, the Foreign Intelligence Surveillance Act which had earlier had some of these restrictions.

I assume, you may have read Victoria Toensing's article in the Wall Street Journal. Do you agree with the wife of our distinguished guest, Joe DiGenova?

(LAUGHTER)

BLACK: Well, I agree with him that his wife is brilliant as well as he is. However, I disagree with the conclusions that she drew in the editorial, which, of course, I read.

What I believe is happening is that, remember in the '70s we had the backlash to what J. Edgar Hoover was doing with the FBI, combining intelligence functions against the civil rights

movement and using them in criminal investigations. And we always thought this wall would be put up to have intelligence on one side and real criminal investigations on the other.

Now we're backtracking from that and going back to what we were doing 30 years ago. And I think this is a real fear because the FBI committed many abuses during the '50s, '60s and '70s.

DIGENOVA: Right. I couldn't agree more with Roy on the issue of what happened back in the '70s. I was a counsel on the Church Committee which investigated the FBI and CIA, and there were clear abuses.

But at that time, what was going on was the executive branch, basically J. Edgar Hoover, was wiretapping without anybody's approval, including a federal court. Congress reacted to that, and both liberals and conservatives agreed that if you're going to have intelligence wiretaps, they should be approved by a court.

That was enacted. We now have courts approving this. The FBI and the Justice Department will not be able to go overboard because these warrants are reviewed by federal judges who authorize them. It's entirely different than it was in the 1970s.

BLITZER: But let me ask you...

DIGENOVA: So I think the concerns...

BLITZER: Joe, I just want to interrupt for a second.

DIGENOVA: Yes, sir. Sorry.

BLITZER: Whenever these federal judges are asked to provide -- to authorize these kinds of surveillance wiretapping warrants, don't they always accept what the federal government almost says at face value?

DIGENOVA: There are very few cases, it is true, in which these courts have rejected these warrants. There's a good reason for that. The lawyers responsible for these warrants and the agents do not bring them to the court unless there is sufficient evidence. I can assure you that if there was insufficient evidence, these judges would not grant these warrants.

The truth is, there has been a very responsible use of these warrants. There were 932 last year, according to published reports. There are 280 million Americans in this country...

BLITZER: All right.

DIGENOVA: ... and tens of millions of visitors from foreign countries that are enemies of us.

BLACK: Well, Wolf, how do we...

BLITZER: Roy Black, I want you to respond, but also respond in this context. These are extraordinary times after 9/11. There's a war against terrorism under way, and as a result, the federal government needs some additional tools to protect the American public.

BLACK: Yes, but, Wolf, as I recall our Constitution was forged in very troublesome times as well. And the founders recognized that we Americans needed these rights, particularly in times of crisis. You don't need rights when nothing's going on. You need rights when the government

is overreaching and what's happening here.

Now, Joe says that all these warrants are being used responsibly. Well, of course, we have no idea of finding out what's being done with these warrants. And what happens practically, if the government goes to one of these judges and says, "We need this to go after a foreign agent, and here's this foreign agent," of course the judge is going to agree to this.

However, if the judge knew this was just a regular criminal investigation, then he would look at it much more carefully. And that's the problem here, because these judges, you know, particularly after 9/11, are going to give the government a lot of power to go after people.

BLITZER: All right, let me let you respond. Then we're going to move on.

Go ahead, Joe.

DIGENOVA: Let me just say, I think it's very important for people to be concerned the way Roy is and for us to be concerned about whether or not these powers are being used wisely.

But as I said, federal judges are reviewing these warrants. Moreover, there is oversight of these functions by both the House and Senate Intelligence Committees and the House and Senate Judiciary Committees. Those are the people who are vested with the oversight responsibility to ensure, along with the federal judiciary, that the executive branch is not abusing its powers.

There is no record of any case whatsoever, involving any judge or any oversight, where there has been an overstepping of these bounds legally.

BLITZER: Roy Black, I want to shift gears for a moment and talk about the sniper case in the greater Washington area, indeed, outside of Washington, in several other states as well.

As you know, John Malvo, the 17-year-old suspect, denied his lawyers' petition to be treated as a juvenile in Virginia, where he's being held. Was that the right thing? Should he be treated as a juvenile or as an adult?

BLACK: Well, Wolf, that's a very difficult question. In most cases, I think that prosecutors abuse the power to charge juveniles as adults. In Florida, we use that quite often by politically elected prosecutors who do it.

However, in the Malvo case, considering he's 17 years old, and considering how outrageous the crimes were, certainly if there was a case in which somebody should be certified as an adult, this would probably fit that category.

BLITZER: What about that, Joe?

DIGENOVA: Well, Virginia state law is very clear. The prosecutor has the right to petition a court to have someone treated as an adult. They have done that, and the court has ruled that he will be treated as an adult.

There's a state law process, and it has been followed. And I think in this case, it is absolutely appropriate to deal with Mr. Malvo as a mass murderer and as an adult.

BLITZER: Let me throw one other wild card out there, Joe DiGenova. Put on your old hat as a former U.S. attorney in Washington, D.C.

This whole issue of the Saudi money trail perhaps going, indirectly at least, to some of those 9/11 hijackers. There's a lot of political stakes involved in this investigation.

Do you think the FBI, the CIA, federal law enforcement authorities can actually get to the bottom of this story?

DIGENOVA: Well, they can try to. But remember, Saudi Arabia is a sovereign state. Its diplomatic personnel in this country are protected by international law and international treaties. The Saudis are with us and against us, in different ways, every day. They're a strange ally. They are an ally that we needed in the past, and we still need now. Whether or not we will continue to need them in the future is an unanswered question.

But certainly the Saudis have not cooperated in investigations involving evidence on their territory. Former FBI Director Louis Freeh made it very clear, over several years, that he was getting very, very little cooperation, in fact some obstruction, from the Saudis.

On this question, I don't believe for a minute that Prince Bandar's wife knowingly gave money to people who were among the 19 hijackers in 9/11. But I do believe that the prince and others in this country have contributed to charities which they know very well support terrorists and spread the kind of outrageous, extreme Islamic radicalism that is responsible for the kind of terrorism that exists in the world today among Islamic radicals.

It's their responsibility. The Saudis' responsibility may not be for a specific act, but they are responsible for the atmospherics that exist in the Islamic world today, by virtue of sending out from their country an outrageous, extreme form of Islam which is anti-American, anti-Semitic, anti-women and anti-Western.

BLITZER: On that note, Joe DiGenova, I'm going to have to leave it right there. Next time, Joe, you'll tell us how you really feel on this issue.

DIGENOVA: Good enough!

(LAUGHTER)

BLITZER: Roy Black, always good to have you on the program.

BLACK: I'm willing to vote for Joe in the next election.

(LAUGHTER)

BLITZER: We know how Joe feels about Saudi Arabia and about his wife Victoria Toensing.

(LAUGHTER)

Thanks to both of you gentlemen for joining us.

DIGENOVA: Thank you. Thank you, Wolf.

BLITZER: Thank you.

Up next, Bruce Morton's essay.

(BEGIN VIDEO CLIP)

BRUCE MORTON, CNN CORRESPONDENT: Big Brother, if you're too young to have read the novel which came out half a century or so ago, was a dictator, and his thought police really did watch everyone just about all the time.

(END VIDEO CLIP)

BLITZER: Is fiction becoming reality when it comes to our privacy? Stay with us.

(COMMERCIAL BREAK)

BLITZER: And now Bruce Morton on the government and your privacy.

(BEGIN VIDEOTAPE)

MORTON (voice-over): It's taken a little longer than he thought. 1984 was 18 years ago, but novelist George Orwell was right: Big Brother is watching you.

Big Brother, if you're too young to have read the novel which came out half a century or so ago, was a dictator, and his thought police really did watch everyone just about all the time. The hero rebels against that, has a secret love affair and so on. He loses. Big Bro finds him out.

UNIDENTIFIED MALE: The ayes are 90, the nays are nine, and the bill is declared passed.

MORTON: Today's version is in the new homeland security bill. It sets up something called an Information Awareness Office -- doesn't that have a nice ring -- which will be run by John Poindexter. Yes, the same man who was Ronald Reagan's national security adviser during Iran-Contra, was convicted on five counts of lying to Congress, conviction later overturned.

What the office will do is to gather personal data on all of us from commercial and governmental databases around the world. Poindexter assured The Washington Post the data will not be misused, and we know the government wouldn't mislead us about that. Sure we do.

Former Vice President Al Gore, who enjoys the Internet, told the New York Times this plan, along with expanded authority to spy and wire tap, amounts to, quote, "the most systematic invasion of privacy of every American citizen that has ever been undertaken in this country, the most fateful step in the direction of that Big Brother nightmare that any president has ever allowed to occur."

Columnist Richard Cohen notes that the Internet was always supposed to create a global village, and now maybe it has. The old-fashioned kind of small town where everybody snoops and gossips about what everybody else is doing.

It may not be all bad, of course. It could force us to be virtuous. Can't not pay the grocery bill, it'll be on the Internet and all the neighbors will know. Can't cheat on your spouse, it'll be on the Internet and he or she will know. Can't -- well, you get the idea.

Back when I was covering anti-Vietnam War demonstrations in the 1960s and '70s, government guys would show up and take pictures of demonstrators or reporters. I always told them that they'd get a better shot free from the publicity department, but they never believed me.

Still, that was a couple of people with 35-millimeter cameras, technical lightyears from where we are today.

Now a database here, a database there. We've got the real deal. Big Bro isn't just watching you, he's close enough to smell you and breathe in your face.

I'm Bruce Morton.

(END VIDEOTAPE)

BLITZER: Thanks very much, Bruce.

Up next, our "Final Round." CNN's Jonathan Karl and our panel weigh in on the big stories of the week.

I'll be back next Sunday in Washington, D.C.. Until then, thanks very much for watching. I'm Wolf Blitzer in Los Angeles.

The "Final Round," right after a CNN news alert.

(COMMERCIAL BREAK)

(NEWSBREAK)

(COMMERCIAL BREAK)

JONATHAN KARL, CNN CONGRESSIONAL CORRESPONDENT: Hello. I'm CNN congressional correspondent Jonathan Karl.

It's time now for the "Final Round." Joining me, Donna Brazile, the Democratic strategist, Peter Beinart of the "New Republic," Jonah Goldberg of "National Review Online," and Christopher Caldwell of the "Weekly Standard."

A key Arab ally of the U.S. is on the defensive again. The FBI is investigating whether two of the September 11th hijackers received money from the Saudi government. That is raising some new questions about the U.S.-Saudi relationship. Today, the top Republican on the Senate Intelligence Committee addressed the issue.

(BEGIN VIDEO CLIP)

SEN. RICHARD SHELBY (R), ALABAMA: I wouldn't look at Saudi Arabia as an ally like the British or the French or the Canadians or anybody like that. I think our relationship with them is totally transactional.

(END VIDEO CLIP)

KARL: Totally transactional. Peter, is this the really the day of reckoning, the time of reckoning for the U.S.-Saudi relationship?

PETER BEINART, NEW REPUBLIC: No, it's not. America won't be able to have any reckoning with Saudi Arabia until we do something about our dependence on that oil. And there's no constituency that I can see anywhere in Washington, certainly not in the Bush administration, to get serious about America's dependence on Saudi oil.

I don't want to hear any conservatives talking tough against the Saudis unless they have a plan to deal with SUVs. Right now they don't.

KARL: Jonah?

JONAH GOLDBERG, NATIONAL REVIEW ONLINE: My plan for SUVs is to buy one.

(LAUGHTER)

BEINART: Exactly my point.

GOLDBERG: Other than that -- well, my plan for SUVs is also to drill in ANWR.

BEINART: That, alone, is not going to do it.

GOLDBERG: I understand, and I would actually be...

CHRISTOPHER CALDWELL, WEEKLY STANDARD: That might handle Jonah's SUV.

(LAUGHTER)

GOLDBERG: I might be in favor of a grand Faustian bargain of raising CAFE standards and opening ANWR, to do both.

Regardless, Saudi Arabia, it's not a reckoning because partly it's the Middle Eastern oil, partly it's because there are a lot of people in Washington who are deeply invested in keeping that relationship going.

And it's a real tragedy because Saudi Arabia fundamentally represents virtually everything America is supposed to be in opposition to: a corrupt and arbitrary monarchy that brutalizes women, that is a religious theocracy that brutalizes religious minorities and that exports terror around the world. And they are not our friends.

CALDWELL: That's right.

KARL: And look, the transaction they were talking about was oil. That's what Shelby was talking about. Oil for overlooking all of this.

DONNA BRAZILE, DEMOCRATIC STRATEGIST: Absolutely. But Jonah is right. I mean, we've got to somehow change our relationship with Saudi Arabia. When the administration came out and said you're with us or against us, somehow or another, Saudi Arabia was exempted from that.

And it's time that we forced that regime to stop their huge anti- American propaganda that comes out of that country, including, as we all know, 15 of the 19 terrorists, and they haven't even said I'm sorry for that.

CALDWELL: Donna's right. Saudi Arabia is now, I would say, the most detested regime in a bipartisan sense since the Iranian hostage crisis of 1979. I think what you see in Congress now is the sense that perhaps the Bush administration has been protecting them to an undue degree.

There could be a couple of reasons for this. They may not want it's hand pushed strategically, but it may just be covering up for cronies. And I think there's a pattern since sending the bin Ladens back to Saudi Arabia in the days after September 11th that they want to uncover. KARL: But the reason why we're talking about this is because of the story that the wife of the Saudi ambassador to the United States gave some money that ended up, allegedly,

potentially in the hands of two of the hijackers.

I mean, do you really think, Peter, that the wife of the Saudi ambassador would knowingly fund the September 11th attacks?

BEINART: I really don't know. What we know is that there is a very insular Saudi elite, not all officially in the government. But we know that nothing happens in Saudi Arabia, really, that the government doesn't have that much control over.

And there is a tight network of Islamic charities that have been supporting really bad guys around the world that are very close to this government, and that really has not been disentangled yet.

KARL: All right, enough on Saudi Arabia, we've got to move on.

Debate is heating up about a new tool the government says it needs to fight the war on terror. The Total Awareness Information program includes a database that can access every American's credit card transactions, travel activities or gun purchases.

Earlier today New York Democratic Senator Charles Schumer and former House Speaker Newt Gingrich squared off on the issue.

(BEGIN VIDEO CLIPS)

SEN. CHARLES SCHUMER (D), NEW YORK: The administration doesn't give a justification for it. They put in no safeguards. They don't talk to people. And these things leak out.

NEWT GINGRICH, FORMER SPEAKER OF THE HOUSE: After October 11th -- September 11th, they said "Gee, why didn't we know that the Arab men who were out there getting pilot training were somehow connected?" After the sniper we said, "Gee, why didn't we know that wasn't a white van, it was a blue car?" So Congress will come back and scapegoat later.

(END VIDEO CLIPS)

KARL: All right, Jonah, I mean, on the face here this new program is a little -- has some echoes of "1984." Is this Big Brother?

GOLDBERG: Not only is it Big Brother -- well, the reality is what this is, is this is Big William Safire, who has a rice-paper-thin skin when it comes to civil liberties. And every now and then, he writes these hysterical, factually insupportable, logically inconsistent screeds against some looming threat to civil liberties in the United States. And it shows how powerful he is that the media always falls for this stuff.

This is not an actual program in existence. This is basically a lab-tested computer simulation that is not doing anything right now in terms of probing people's privacy. In order to enact it, it has to go before Congress, it has to get approval. There's oversight. There are all sorts of things. We don't even know if it's works. It's basically a research project. And everyone's going nuts about it, and they shouldn't.

KARL: Donna, I mean, can you defend this former Nixon speechwriter?

BRAZILE: Oh, absolutely.

(LAUGHTER)

Well, I will defend Mr. Safire because I think he's right on the money. The American people take great pride in our civil liberties, and we respect the fact that we have a right to privacy.

And I think if the administration funds this project and if it goes beyond what Jonah just said, a research project, into something that is truly out there, the American people will rebel against it.

CALDWELL: Well, I think information gathering of a much more aggressive kind is going to be necessary.

My worry about a computer-generated one is that it's going to be biased toward finding people who obey the law. That is, people who have Social Security numbers and college loans and health plans, and not toward people who've walked across the Canadian border, only use cash and have five aliases.

KARL: Peter?

BEINART: I mean, I'm sympathetic to the need to synthesize this information. We know that what happened before September 11th is there was too much information that wasn't being communicated. Fine.

But if you're going to give this new power, create an agency with all this new power, which people have a lot of concerns about, why on Earth do you put the guy in charge of it who lied to Congress? I mean, you can talk about...

KARL: Admiral Poindexter.

BEINART: John Poindexter, for goodness' sakes! I mean, there are a lot of smart people in this town who you could give this job to. Why give it to a guy who has a history of lying to Congress?

GOLDBERG: Well, part of the reason he got the job is because he actually brought the idea to the Pentagon as a research project, and he said, "Hey, I have this idea of how to synthesize this stuff." And since it was his idea, they said, "OK, why don't you give it a try and see if this technology even works." So it's much less ominous than the media is making it out to be.

CALDWELL: But it's not a school project. Poindexter is political poison. If you're going to change our attitude toward civil liberties in a way that you need bipartisan support for, you don't want a Harvey Pitt-style dartboard at the head of the agency.

(CROSSTALK)

KARL: So at the very least, it wasn't exactly smart politics, I mean, if you're looking for support for this.

All right, we've got to take a quick break. When we come back, Tom Daschle and Rush

Limbaugh mix it up. That and much more when the Final Round returns.

(COMMERCIAL BREAK)

KARL: Welcome back to the "Final Round."

There was an interesting war of words this week between the Senate Democratic leader, Tom Daschle, and conservative radio talk show host Rush Limbaugh. Daschle said Limbaugh's rhetoric incited some of his listeners to threaten violence against Daschle and his family. Limbaugh dismissed Daschle's claims, saying they amounted to sour grapes.

(BEGIN VIDEO CLIP)

RUSH LIMBAUGH, TALK SHOW HOST: ... very small playbook. For 40 years, they had a free run with the mainstream press not challenging them on what they said, but instead challenging us. We've had to hone our response to all the accusations they make against us, and we've gotten good at it.

(END VIDEO CLIP)

KARL: All right, Chris, picking a fight with a guy with 20 million listeners, what is Tom Daschle up to here?

CALDWELL: Well, he is grasping at straws. And that shows that a lot of this talk we've had in the recent years about how we need to be more civil and that kind of thing is really just a blind for anti- democratic quashing of free speech.

This kind of talk is nothing compared to the stuff you heard in the 1936 election about fascists and slaves of big business, or even in the 19th century. It's so small potatoes.

KARL: Donna, this wasn't a good move for Daschle, was it?

BRAZILE: Well, I think Tom Daschle's a little sensitive. I mean, after all, he received that anthrax letter, his family's been threatened.

On the other hand, as someone who's been a verbal combatant in the partisan war of words, I think Democrats should take Rush Limbaugh on. I go on some of those conservative talk shows, and no, I don't like being called a liberal loony, but look, I give it right back and call them conservative kooks.

(LAUGHTER)

So, look, we have -- there's a thin line there between free speech and going over the line. Some time they go over the line, and I think they need to be a little bit more responsible.

As for what the Democratic Party should do, we should find our own Rush Limbaughs and bring it on.

KARL: A Democratic Rush Limbaugh, there's an idea.

GOLDBERG: It's called Dan Rather.

(LAUGHTER)

BEINART: The reason the Democrats don't have a real Rush Limbaugh is no one knows what a Democratic Rush Limbaugh would say on the central issue of the day, which is Iraq and the war on terrorism.

The Democrats do not know what they believe about this. And until they get a sense of what they do, all of this stuff is window dressing. You can't deal with a messenger if you don't have a message.

GOLDBERG: I have a slightly cynical interpretation of this. Well, either it was just basically a stupid mistake on Daschle's part, or what it was was an attempt to rip out a page from the mid-1990s playbook of demonizing the angry white male. There was all that Rush Limbaugh-bashing. We blamed him -- the media blamed him for the killing of Matthew Shepherd and for Oklahoma City and all that kind of stuff.

The Democratic base loves it. It makes Daschle a victim of the mean, angry, nasty, fascist white guys and all that kind of stuff.

And so, if it was a mistake, maybe he decided to exploit it along those lines, or it was just dumb all the way around. I can't figure it out.

KARL: So a mistake or brilliant political move here?

CALDWELL: Oh, it was so confusing that he thought that the thing that really led to the threats was the way Republicans had called him an obstructionist. And yet the whole press conference he gave was dedicated to calling Republicans obstructionists. It was a terrible mistake.

KARL: In fact, there was a poster right behind Daschle at the time that was talking about Republican obstructionism.

(LAUGHTER)

And the other thing that was interesting is he was actually saying Democrats need to emulate Rush Limbaugh, that's the way to get the message out, but also, you know, make it an attack.

BEINART: The particularly (ph) strange thing is, what Daschle should be saying is, "I actually got my guy elected in South Dakota." In an election where the Democrats did terribly, Daschle should be saying, I'm one of the few guys who has something to be successful...

(CROSSTALK)

KARL: In a Republican state, all right.

BRAZILE: In an election where Democrats lost the Senate by 50,000 votes in New Hampshire and Missouri, the Democrats should find the good and praise it and keep fighting the next battle, which will happen in a couple of months.

KARL: All right, well, find the good.

One Democrat who was everywhere this week was Al Gore. The former vice president is promoting his new book he co-authored with his wife, Tipper. His media blitz is largely viewed as Gore's political re-emergence. He took the opportunity to criticize President Bush on the war

on terrorism and express support for a single-payer national health-care system.

Donna, you are our resident Al Gore expert. What's going on?

BRAZILE: Well, first of all, I think you're going to see a lot more of Al Gore leading up not only into the election in 2003, where you're going to have three gubernatorial elections and many mayoral elections, but also 2004.

This is not a different Al Gore. This is the same fighter, the same person who wants to get back out there and cast himself back with the voters in 2004.

KARL: Is he going to run?

BRAZILE: I don't know, but I believe there's something inside of Al Gore that will lean toward him running in 2004.

KARL: Christopher?

CALDWELL: Yes, I think he's running, and he doesn't look too bad. I think his performances have been miserable, he's stumbling, he's a little bit off his stride. But he doesn't have to be the William Jennings Bryan, the repository of Democratic hopes. All he really has to be is the Michael Dukakis, as someone said in 1988, the last guy standing with money.

KARL: But, Peter, there's an emerging conventional wisdom about Al Gore, which is the Democratic elite in this town doesn't like him, but out there the grassroots Democrats want him to run again.

BEINART: I think so, particularly when you look at who his real competition is. I think his real competition is Gephardt. Gephardt's, I think, the only guy who could beat him in Iowa. And I think if Gore wins Iowa, I think he's looking in pretty good shape. And Gephardt was really hurt by these elections. So I actually think Gore is probably not looking in too bad a shape.

The weird thing about this re-emergence is that if there was an authentic Al Gore all these years, you really thought it was -- I always thought it was really as a new Democrat, as a centrist. And here he is moving to the left on both foreign and domestic policy, which makes me wonder, if this is the real Al Gore, then what was the old one all these years?

(LAUGHTER)

KARL: National health care.

GOLDBERG: Well, I think it is the real Al Gore, because the real Al Gore would always say or do anything based upon what the polls or what the political strategy at the time was going to be. For a long time, it made a lot of sense to be a DLC Democrat, centrist Democrat, so that's what Al Gore was. Then it made sense to go left, so now he's going left. That's the real Al Gore. And just everything else, what he says, is all superficial to the essence of the guy.

BRAZILE: I don't think it's left or right in terms of Al Gore. I think it's Al Gore moving forward to try to help redefine the Democratic Party for the 21st century. And I think Gore will have a leadership role in helping to get the party's message back in shape.

KARL: All right. And now, just one more thing. Are you seeing any specific signs that he's

getting ready to run? I mean, are you seeing him lining people up, talking to people, getting ready?

BRAZILE: Well, no. But what I do see, and many of us have seen, we see him on TV, we hear him on the radio, he's in the newspaper. And I'm waiting for him to go to Des Moines.

KARL: All right. Here we go, we've got to take one more quick break, and the Lightning Round is next. Stay with us.

(COMMERCIAL BREAK)

KARL: Time now for our "Lightning Round."

Retiring South Carolina Republican Senator Strom Thurmond will celebrate his 100th birthday next week.

All right, Christopher Caldwell, what is Strom Thurmond's legacy?

CALDWELL: I'm sorry his place in history is for the 1948 Dixiecrat election. He's been a pretty run-of-the-mill Republican ever since, and his legacy in Washington is a lot of really interesting virility jokes.

(LAUGHTER)

KARL: The Cal Ripkin of politics?

GOLDBERG: Actually, well, the John Holmes of politics.

(LAUGHTER)

Anyway, his real legacy, I actually think, is he was the harbinger of the Republicanization of the South. He was the first guy to go from Dixiecrat or Democrat to Republican and he was the harbinger of it all, along with Barry Goldwater, of turning the Democrats solid Republican.

BRAZILE: His legacy may be that of a principally conservative segregationist, but the South has changed. We now have African-Americans running for statewide office, and African-Americans serve in statewide office in the deep South, a South that he once opposed having African-Americans the right to vote. And now the vice chair of the Democratic Caucus hails from South Carolina, his home state, Jim Clyburn.

BEINART: Yes, let's call a spade a spade here. His legacy is white supremacism. His legacy is the rise of the Republican Party in the South based on the backlash against civil rights on the Republican Party becoming the anti-black party. And if Republicans really want to move away from that legacy, they should join me in saying good riddance.

KARL: All right, well, don't wait for that to happen.

Retiring House Republican leader Dick Armey is considering becoming a consultant of the foe to many conservatives, the American Civil Liberties Union. Have liberals gained a new friend?

And, Peter, I'll throw this at you, although I imagine Democrats would much rather see Dick Armey on the advisory panel for the ACLU than in Congress.

BEINART: Give Dick Armey credit. You know, I disagree with him on most things, but he has been consistent. He was consistent against the expansion of government power under Clinton and under Bush. I only wish people like John Ashcroft, who was a vehement civil libertarian when Clinton was in power, still stuck to some of those principles today.

KARL: You want to say something nice about Dick Armey?

BRAZILE: Well, not only Dick Armey, I also think they should recruit Bob Barr. I mean, he's another civil libertarian. You have a lot more in the Republican Party, as well the Libertarian Party, and they should go after all of them.

GOLDBERG: Yes, I mean, there's bizarre misunderstanding of the history of the conservative movement in America that says that somehow they aren't civil libertarians. A big tradition on the right has always been deep skepticism of government, deep skepticism governmental intrusion, and Dick Armey and Bob Barr just represent it.

KARL: But wait, it was the first George Bush that attacked Michael Dukakis as being a card-carrying member of the ACLU.

CALDWELL: But Jonah is right. Dick Armey has -- Dick Armey's problem is that, while he's always been terrific on economic issues and very consistent, he's always floundered whenever he's got off of them from the "Barney fag" remark, to his confusion about Iraq, to now. He's just looking for a place to perch.

KARL: All right. Next up, the "New York Times" is urging Tiger Woods to boycott next year's Masters tournament because of the Augusta National Golf Club's refusal to admit women members.

In an editorial this week, the "Times" said, quote, "The absence of golf's best player would be a dreaded asterisk to the name of next year's winner. And a tournament without Mr. Woods would send a powerful message that discrimination isn't good for the golfing business."

Does Tiger Woods have a special responsibility on this one to speak out? You wanted a sports question, Donna. What do you think?

BRAZILE: Oh, Lord, here I go. First of all, I don't think he should boycott it, but I do believe that he should speak out. And I think he would be an eloquent speaker on this as someone who, from his history or his parent's history, should know the pain of discrimination.

I also think Jack Nicklaus and many of the other golfing pros, and don't ask me their names, should speak out as well.

(LAUGHTER)

KARL: I'll give you a quiz.

Jonah?

GOLDBERG: Well, first of all, I have no problem with Augusta staying all-male. It's a free country.

Second of all, it's classic "New York Times," which, first of all, likes to sort of try to force

and shame people into becoming the moral leaders that they want them to be.

And they often are confused by the idea that race and sex are not the same thing and they have very different roles in our society. We fought a civil war to make this country generally color blind. We didn't fight a civil war over gender. And, you know, they don't understand that.

(CROSSTALK)

KARL: ... a male Tiger Woods could join Augusta?

BEINART: That's right. It's not because he's black, it's because he's the best golfer. And the point is that no other golfer would have the same impact.

It's true, Augusta has the right to discriminate. "The New York Times" has this very same right to call for a boycott, and I hope Tiger Woods joins.

CALDWELL: Yes, I have to agree with Michael Wilbon of "The Washington Post." He said, "Tiger Woods is being asked to do this because he, as a black, is supposed to represent minority progressivism, and he'd be a fool if he were to listen to these yappers at the New York Times."

KARL: All right, well, we'll leave it at that. The "Final Round" is over. Thank you very much.

BRAZILE: Happy Thanksgiving.

KARL: Yes, Happy Thanksgiving to all of you.

All right. Oh, do we have one more question? We do have one more.

(LAUGHTER)

Do we have one more? Two teenagers are suing McDonald's. They claim the fast food restaurant caused them to become obese, because it failed to provide sufficient information about the health risks associated with those meals.

So, Jonah, what do you say? Suing McDonald's, very quickly.

GOLDBERG: Well, you can read my amicus brief, because I'm blaming them for my obesity, too.

(LAUGHTER)

No, it's absurd. You know, it's a typical trial lawyer thing. It's idiotic.

BEINART: Yes, I agree. Look, everyone should know by now that McDonald's is not exactly health food.

KARL: All right, well, that really is it for LATE EDITION.

(LAUGHTER)

Thank you. Happy Thanksgiving.

(CROSSTALK)

All right. That's it for LATE EDITION for this Sunday, November 24.

Be sure to join us next Sunday and every Sunday. And thank you for watching. We wish you all a Happy Thanksgiving and a great weekend.

I'm Jonathan Karl in Washington. TO ORDER A VIDEO OF THIS TRANSCRIPT, PLEASE CALL 800-CNN-NEWS OR USE OUR SECURE ONLINE ORDER FORM LOCATED AT www.fdch.com

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